

Collin County Government

10/1/2013 - 10/1/2014

Commercial Package, Monoline General Liability & Primary Healthcare Facilities Coverage

Presented by:

Wells Fargo Insurance Services USA, Inc.

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REVISED 09-04-13

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Please refer to the policy contract for specific terms, conditions, limitations, and exclusions.
Proposal date: 9/4/2013 Prepared for Collin County
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One Beacon Package

One Beacon Mono-line General Liability

ACE Medical Risk

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Service team

Sales Executive

Manages your overall account, and brings all of Wells Fargo's resources together for your benefit.

Account Executive

Responsible for completing all technical transactions regarding the delivery and maintenance of insurance and underwriting services.

Account Representative

Primary contact for day-to-day service. Handles questions you may have, monitors your account, processes endorsement requests and invoices.

Claims

Advocates on claims to troubleshoot servicing issues, answer questions about the claims process and assist with optimizing claims outcomes.

Risk Control

Conducts site inspections, provides loss control insights, and acts as your advocate in relation to carrier loss control representatives.

Surety

Drawing from extensive surety experience across many industries, we provide access to surety bonds that meet your requirements.

Certificates of insurance

Other telephone numbers

Office hours

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Toll-free: (800) 531-2034

Fax: (855) 605-8264

8 a.m. – 5 p.m. Central Time Zone M - F

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Payment information

Payment address

Wells Fargo Insurance Services USA, Inc.

Wells Fargo Lockbox
Lockbox# 203383
2975 Regent Blvd
Irving, TX 75063

Mailing and parcel delivery

Wells Fargo Insurance Services USA, Inc.
5151 Belt Line Road, Ste. 200
Dallas, TX 75254

Wiring instructions

Wells Fargo Bank N.A.
1 Montgomery St
San Francisco, CA 94104
Swift Code WFBIUS6S
Wire Transit Routing Number 121000248
Account Name Wells Fargo Insurance Services, Inc.
Account Number 1806327431
Reference** TXW 740

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General provisions

Please read this document carefully, and advise if any provisions contained herein are unclear or incorrect, and advise your Wells Fargo Insurance Services USA, Inc. ("Wells Fargo Insurance") team immediately if any coverage is not reflected correctly or if any risks or potential risks have not been identified.

This document states the A. M. Best Company rating for each listed insurance company. Ratings are based on overall performance and financial strength. Performance ratings range from a low of "C-" to the highest rating assigned, "A++." Some insurance companies are subject to "Not-Assigned" categories. Financial size categories range from "I" (up to \$1,000,000 in surplus) to "XV" (\$2,000,000,000 or more in surplus).

Admitted insurance companies afford certain regulatory protection not extended to non-admitted insurance companies. For example, your state's Insurance Guarantee Association does not offer its loss protection to non-admitted insurance companies in the event of insolvency.

When, in Wells Fargo Insurance's judgment, it is necessary or beneficial to do so, we will utilize the services of other intermediaries, sometimes referred to as Wholesalers or Managing General Agents (MGA's), to assist in accessing coverage for insureds or prospects. Such wholesale intermediaries may or may not be affiliated with Wells Fargo Insurance, and would be compensated by the insurance company out of insured-paid premiums.

In some instances, insurance coverage placements made by Wells Fargo Insurance require the payment of state surplus line tax and fees, in addition to the insurance premium itself. Wells Fargo Insurance will attempt to identify any such applicable tax and fees in advance of requesting coverage bound. In all instances, however, payment of any surplus line tax and fees is the sole responsibility of the insured.

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Who we are

Wells Fargo Insurance offers a full range of solutions for companies of all sizes. We can help you address your risk, relieve you of time-consuming administrative functions, and improve your profitability.

Our advantages:

- **Size.** With revenues exceeding \$1.6 billion, Wells Fargo Insurance is the fifth largest insurance brokerage firm in the world according to *Business Insurance*. July 16, 2012. Our size — along with the vast amount of risk premium that we place — enables us to negotiate excellent solutions at competitive rates.
- **Reputation.** As a division of Wells Fargo & Company, one of the most respected financial institutions in the world, we are held to a more rigorous standard than our industry in general. We can offer you access to a full spectrum of financial services unavailable from most other firms.
- **Service.** Supporting more than 170,000 clients throughout the country, Wells Fargo Insurance provides exceptional local service — in person, online, and on the phone.
- **International reach.** We design global insurance programs and manage implementation through our Wells Fargo Global Broker Network, which spans more than 130 countries.
- **Technology.** Our proprietary *CyberSure*® eService helps streamline insurance administration. Use this service to issue your own certificates of insurance, identify potential risk issues, report claims, and more.
- **Solutions.** Because of our strong relationships with top-rated carriers, we don't rely on one-size-fits-all solutions. Instead, we customize our recommendations to meet your specific needs:
 - Risk management
 - Property and casualty
 - Employee benefits
 - Professional risk
 - International
 - Private risk
 - Special risks
 - Industry-specific risks

We know you are facing more complicated risks than ever before. We have the knowledge, experience, and service commitment to help you navigate these challenges and strengthen your competitive position.

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Premium Overview

Collin County Government

Rate Comparison Expiring / Renewal - Revised 08-30-13

Line of Coverage	2012/2013			2013/2014				
	Exposure*	Premium	Rate	Exposure*	Premium	Rate	Organic Delta	Rate Delta
Crime		\$ 6,604			\$ 6,604			
General Liability	75,509,758	\$ 69,775	\$ 0.924	77,775,050	\$ 73,242	\$ 0.942	3%	2%
Mono-line GL Policy	3,000,000	\$ 8,750	\$ 2.917	3,150,000	\$ 9,500	\$ 3.016	5%	3%
Auto Liability (per auto)	389	\$ 25,859	\$ 66.476	396	\$ 27,195	\$ 68.674	2%	3%
Auto Physical Damage (Per \$100 of Value)	11,205,877	\$ 24,000	\$ 0.214	11,973,789	\$ 26,532	\$ 0.222	6%	7%
Public Officials	75,509,758	\$ 22,513	\$ 0.298	77,775,050	\$ 23,771	\$ 0.306	3%	3%
EPL (per employee) **	1,669	\$ 35,853	\$ 21.482	1,723	\$ 36,791	\$ 21.353	3%	-1%
EBL (per employee) **	1,669	\$ 711	\$ 0.426	1,723	\$ 732	\$ 0.425	3%	0%
Law Enforcement (per law employee)**	231	\$ 118,793	\$ 514.255	223	\$ 121,367	\$ 544.247	-3%	6%
State Fee (Automobile)		\$ 2			\$ 2			
TRIA		\$ 2,506			\$ 2,504			
		\$ 315,366			\$ 328,240			

* Package Exposure basis Gross Expenditures for purpose of establishing an average rate. Actual premium basis includes various factors

** Number of employees = Full Time Equivalent (FTE)

Line of Coverage	2012/2013			2013/2014		
	Exposure*	Premium	Rate	Exposure*	Premium	Rate
Primary Healthcare Facilities General Liability** Professional Liability	\$ 233,364	\$ 27,765	\$ 118.977	\$ 243,738	\$ 25,935	\$ 106.405
Surplus Lines Tax		\$ 1,346.60			\$ 1,257.85	
Texas Stamping Office Fee		\$ 16.66			\$ 15.56	
Terrorism		\$ 133.00			\$ 133.00	
Minimum Earned Premium		\$ 29,261.26			\$ 27,341.41	
		25%			25%	

* Healthcare Facilities Exposure basis Gross Revenue for purpose of establishing an average rate. Actual premium basis includes: Sales, FTE Count and # of Visits

** Designated Premises General Liability: 825 N. McDonald St., McKinney, TX 75069

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Commercial Package

Named insured: Collin County Government

Insurance carrier: Atlantic Specialty Insurance Company — Admitted
A.M. Best rating: A XI as of 2012

Policy number: Pending

Policy term: October 1, 2013 to October 1, 2014

Premium: \$ 316,236 (Exclusive of Terrorism)

Property Location Coverage

Loc #	Building	Coverage	Limit	Deductible	Val
1	1	Business Personal Property	\$1,000	\$1,000	RC
		Money & Securities Loss Inside	\$1,000,000	\$5,000	
		Money & Securities Loss Outside	\$1,000,000	\$5,000	
		Employee Theft	\$1,000,000	\$5,000	
		Forgery & Alteration	\$1,000,000	\$5,000	
		Money Order Counterfeit Currency	\$1,000,000	\$5,000	
		Computer Fraud	\$1,000,000	\$5,000	
		Coverage	Limit	Deductible	Val
		ERISA Employee Theft Per Occurrence	\$25,000	\$0.00	

Property Excluded Coverage

Loc #	Building	Coverage	Limit	Deductible	Val
		The following coverage is excluded			
		BI or EE Utility Services			
		Building Ordinance			
		Reward			
		Contractual Penalties			
		Property in Transit			
		Hardware and Media			
		Business Income and Extra Expense			
		Dependent Properties			
		Business Income w/o EE			
		Dependent Properties			
		BI or EE Utility Services - Policy			
		Business Income w/o EE w/ALS			
		Green Upgrades Additional Coverage			
		Bucket			
		International Air Shipments			
		Property at Other Locations			
		Credit, Debit or Charge Card Forgery			
		Newly Acquired or Constructed Property			
		Claim Expense			
		Automatic Seasonal Increase (Peak Season)			
		Brands and Labels Expense			
		Food Contamination			
		Newly Acquired Property Business Income			

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		Extra Expense			
		Lessee's Leasehold Interest Coverage			
		Lessor's Lease Cancellation			
		Lessor's Tenant Relocation Expense			
		Limited Coverage for Fungus, Wet Rot, Dry Rot and Bacteria			
		Electronic Data Damage or Destruction - Cyber Vandalism - Employee			
		Electronic Data Damage or Destruction - Cyber Vandalism - Non-Employee			
		Electronic Data Loss of Income and Extra Expense - Cyber Vandalism - Employee			
		Electronic Data Loss of Income and Extra Expense - Cyber Vandalism - Non-Employee			
		Denial of Service Coverage			
		California Hardware, Media and Electronic Data Earthquake			
		Preservation of Property - Expense			
		Lock Replacement			
		Catastrophe Allowance			
		Expediting Expenses			
		Soft Costs			
		Temporary Relocation of Property			
		Coverage During Renovation or Remodeling			
		Salesmen's Samples			
1	1	Pollutant Clean Up and Removal			
1	1	Debris Removal			
1	1	Special Theft Limits of Insurance			

Coinsurance

		Coverage	Limit	Deductible	Val
	90%	Coinsurance Applies to following coverage:			
		Business Personal Property			
		Loc/Bldg: 1/1			

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General Liability Policy Coverage

	Coverage	Limit	Self-Insured Retention
	General Aggregate	\$1,000,000	
	Products/Completed Operations Aggregate	\$1,000,000	
	Coverage A Bodily Injury and Property Damage		
	Each Occurrence	\$1,000,000	
	Self-Insured Retention		\$50,000
	Each Occurrence		
	Coverage B Personal and Advertising Injury		
	Each Occurrence	\$1,000,000	
	Self-Insured Retention		\$50,000
	Each Offense		
	Damage to Premises Rented to You	\$1,000,000	
	Each Occurrence		
	Coverage C Health Care and Social Services - Each Wrongful Act	Not Covered	
	Medical Expense	Not Covered	

General Liability Location Coverage

Loc #	Building	Coverage	Deductible
		Class: 44115	
		General purpose government risks organized as counties	
1	1	Coverage A&B	\$50,000
		Class: 48727	
		Streets, Roads, Highways or Bridges - existence and maintenance hazard only	
1	1	Coverage A&B - Including Products	\$50,000

General Liability Medical Payment Exclusion

All Locations and Buildings

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Professional Liability Policy Coverage

	Coverage	Limit	Self-Insured Retention
	Public Officials Errors & Omissions		
	Each Wrongful Act	\$1,000,000	
	Aggregate	\$1,000,000	
	Self-Insured Retention		\$50,000
	Retro Date 12/01/1988		
	Public Officials Employment Practices		
	Each Offense	\$1,000,000	
	Aggregate	\$1,000,000	
	Self-Insured Retention		\$50,000
	Retro Date 12/01/1988		
	Public Officials Employee Benefits Administration		
	Each Offense	\$1,000,000	
	Aggregate	\$1,000,000	
	Self-Insured Retention		\$50,000
	Retro Date 12/01/1988		
	Law Enforcement Liability		
	Each Wrongful Act	\$1,000,000	
	Aggregate	\$1,000,000	
	Self-Insured Retention		\$50,000

Automobile Policy Coverage

	Coverage	Limit	Self-Insured Retention
	Liability	\$1,000,000	
	Self-Insured Retention		\$50,000
	Hired Auto		
	Hired Auto Liability	Covered	
	Non-Owned Auto		
	Non-Owned Auto Liability	Covered	
	Hired Auto - Physical Damage	Included Most will pay \$50,000	
	Broad Form Endorsement		

Auto Composite Rate Coverage

	Coverage	Limit	Deductible
	ALL OWNED AUTOS (Vehicles: 396)		
	Liability		
	Collision		
	Comp		

Automobile Vehicle Coverage

	Coverage	Limit	Deductible
TX	Composite Truck (Vehicles: 396)		
	Liability		
	Comprehensive		\$10,000
	Collision		\$10,000

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Atlantic Specialty Insurance Company
150 Royall Street
Canton, MA 02021

Insured Name and Address:

COLLIN COUNTY GOVERNMENT
2300 BLOOMDALE RD STE 4117
MCKINNEY, TX 75071-8517

Quote Number: 1466322-6

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act (the Act), as amended, that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

COVERAGE TO BE PROVIDED BY THE POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM, AS DEFINED IN THE ACT, MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT IN ACCORDANCE WITH A FORMULA ESTABLISHED UNDER THE ACT. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT WOULD PAY 85% OF COVERED TERRORISM LOSSES THAT EXCEED THE STATUTORILY IMPOSED DEDUCTIBLE FOR WHICH THE INSURANCE COMPANY IS RESPONSIBLE. THE PREMIUM TO BE CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

THE ACT CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES EXCEEDS \$100 BILLION IN ANY ONE CALENDAR YEAR. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

The prospective premium required for your terrorism coverage is: \$ 0,125. If you wish to reject this offer of coverage, you should check the box below, sign this notice and send it to your agent. An exclusion of terrorism losses, as defined by the Act, will then be made part of your policy.

If you wish to reject this offer of coverage, you should check the box below, sign this notice and send it to your agent. An exclusion of terrorism losses, as defined by the Act, will then be made part of your policy.

I hereby reject the offer of terrorism coverage. I understand that I will have no coverage for losses arising from acts of terrorism, as defined in the Act.

Possibility of Additional or Return Premium

The premium shown above is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of 12/31/14. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown above may not be appropriate.

If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the estimated premium shown above and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

If your policy includes Property Coverage in one or more of these states: CA, CT, GA, HI, IA, IL, MA, ME, MO, NC, NJ, NY, OR, RI, VA, WA, WI, or WV; the following statement applies:

The terrorism exclusion makes an exception for (and thereby continues your coverage for) property fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism - the coverage in your policy for such fire losses will continue. If such a loss occurs, and is certified under the Act, the loss will be reimbursed by the United States under the formula detailed above.

The portion of your policy premium attributable to terrorism (fire only) coverage in all of the states listed above, in which your policy provides property coverage, is \$ 0. This amount is included in your policy premium and cannot be rejected.

_____	Atlantic Specialty Insurance Company
Policyholder/Applicant's Signature	Insurance Company
_____	_____
Print Name	Date

If you have any questions about this notice, please contact your agent.

Commercial General Liability

Myers Park and The Farm Museum

Named insured: Collin County Government

Insurance carrier: Atlantic Specialty Insurance Company – Admitted
A.M. Best rating: A XI as of 2012

Policy number: Pending

Policy term: October 1, 2013 to October 1, 2014

Premium: \$ 9,500. (Exclusive of Terrorism)

Schedule of Locations

Loc #	Building	Address		
1	1	Myers Park and The Farm Museum 7117 County Road 166 McKinney, TX 75071		
			Coverage	Limit
			General Aggregate	\$1,000,000
			Products/Completed Operations Aggregate	\$1,000,000
			Coverage A Bodily Injury and Property Damage	
			Each Occurrence	\$1,000,000
			Deductible	\$1,000
			Each Offense	
			Coverage B Personal and Advertising Injury	
			Each Occurrence	\$1,000,000
			Deductible	\$1,000
			Each Offense	
			Damage to Premises Rented to You	\$1,000,000
			Each Occurrence	
			Coverage C Health Care and Social Services – Each Wrongful Act	Not Covered
			Medical Expense	Not Covered

Loc #	Building	Coverage		Deductible
		Class: 44115		
		General purpose government risks organized as counties		
1	1	Coverage A&B		\$1,000

General Liability Medical Payment Exclusion

All Locations and Buildings

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Atlantic Specialty Insurance Company
150 Royall Street
Canton, MA 02021

Insured Name and Address:

COLLIN COUNTY GOVERNMENT
2300 BLOOMDALE RD STE 4117
MCKINNEY, TX 75071-8517

Quote Number: 1466308-2

**POLICYHOLDER DISCLOSURE
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You are hereby notified that under the Terrorism Risk Insurance Act (the Act), as amended, that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

COVERAGE TO BE PROVIDED BY THE POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM, AS DEFINED IN THE ACT, MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT IN ACCORDANCE WITH A FORMULA ESTABLISHED UNDER THE ACT. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT WOULD PAY 85% OF COVERED TERRORISM LOSSES THAT EXCEED THE STATUTORILY IMPOSED DEDUCTIBLE FOR WHICH THE INSURANCE COMPANY IS RESPONSIBLE. THE PREMIUM TO BE CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

THE ACT CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES EXCEEDS \$100 BILLION IN ANY ONE CALENDAR YEAR. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

The prospective premium required for your terrorism coverage is: \$ ³⁷⁹_____. If you wish to reject this offer of coverage, you should check the box below, sign this notice and send it to your agent. An exclusion of terrorism losses, as defined by the Act, will then be made part of your policy.

If you wish to reject this offer of coverage, you should check the box below, sign this notice and send it to your agent. An exclusion of terrorism losses, as defined by the Act, will then be made part of your policy.

<input type="checkbox"/>	I hereby reject the offer of terrorism coverage. I understand that I will have no coverage for losses arising from acts of terrorism, as defined in the Act.
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Possibility of Additional or Return Premium

The premium shown above is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of 12/31/14. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown above may not be appropriate.

If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the estimated premium shown above and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

If your policy includes Property Coverage in one or more of these states: CA, CT, GA, HI, IA, IL, MA, ME, MO, NC, NJ, NY, OR, RI, VA, WA, WI, or WV; the following statement applies:

The terrorism exclusion makes an exception for (and thereby continues your coverage for) property fire losses resulting from an act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism - the coverage in your policy for such fire losses will continue. If such a loss occurs, and is certified under the Act, the loss will be reimbursed by the United States under the formula detailed above.

The portion of your policy premium attributable to terrorism (fire only) coverage in all of the states listed above, in which your policy provides property coverage, is \$ 0. This amount is included in your policy premium and cannot be rejected.

	Atlantic Specialty Insurance Company
Policyholder/Applicant's Signature	Insurance Company
Print Name	Date

If you have any questions about this notice, please contact your agent.

Primary Healthcare Facilities Coverage

ACE Medical Risk Quotation

Named Insured:	Collin County Government
Address of Named Insured:	825 N McDonald, Suite 612 McKinney, TX 75069
Producer:	Wells Fargo Insurance Services
Issuing Company:	Illinois Union Insurance Company (a non-admitted company) ACE Medical Risk is unable to provide you with an admitted quotation for this account.
Policy Period:	10/1/13 to 10/1/14
Policy Number:	N/A
Minimum Earned Premium:	25%
Extended Reporting Period Option:	An Extended Reporting Period is available for an additional premium, (except when the policy is cancelled or non-renewed for non-payment of the premium). The terms and cost of the Extended Reporting Period will be negotiated at the time of purchase.
Remit Payment:	Regular Mail: ACE American Insurance Company Dept CH 10678 Palatine, IL 60055-0678 Wire Payments: ABA#043000261 Account #0938373 Payable to: ACE American Insurance Company Mellon Bank West, NA 3 Mellon Bank Center
Claim Reporting:	Professional and General Liability only: First notice of claim should be sent to: MedicalRiskFirstNotice@acegroup.com or facsimile: 877-201-7391 All other claims notices should be sent to: ACE Medical Risk P. O. Box 5104 Scranton, PA 18505-0517 Facsimile: 866-635-5687
Primary Coverage	
Coverage:	Primary Healthcare Facilities Professional Liability (Claims-Made and Reported) Primary Healthcare Facilities General Liability (Occurrence and Reported)
Primary Professional Liability Terms & Conditions	
Retroactive Date:	Refer to split retroactive date endorsement (attached) 5/1/2004 for \$1M/\$3M 10/1/2009 for \$2M/\$4M
Limits of Liability:	\$2,000,000 Each Professional Incident Limit \$4,000,000 Professional Liability Aggregate Limit \$ 500,000 Abuse and Molestation Aggregate Limit
Other Payments (expenses, interest, etc.):	Do <u>not</u> reduce or erode the limit of liability excess of the deductible.
Deductible:	\$5,000 Each Professional Incident Deductible \$ N/A Professional Liability Aggregate Deductible \$ N/A Policy Aggregate Deductible – applicable to PL and GL coverage parts The deductible does reduce or erode the limit of liability. The Insured agrees to pay all damages up to the amount of such deductible.
Primary General Liability Terms & Conditions	
Limits of Liability:	\$2,000,000 Each Occurrence Limit \$ 5,000 Medical Payments Limit \$ 50,000 Damages To Premises Rented To You Limit \$2,000,000 Personal and Advertising Injury Limit \$4,000,000 General Aggregate Limit \$2,000,000 Products-Completed Operations Aggregate Limit

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Proposal date: 9/4/2013 Prepared for Collin County

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Other Payments (expenses, interest, etc.):	Do <u>not</u> reduce or erode the limit of liability excess of the deductible.
Primary General Liability Terms & Conditions - continued	
Deductible/Retention:	\$5,000 Each Professional Incident Deductible \$ N/A Professional Liability Aggregate Deductible \$ N/A Policy Aggregate Deductible – applicable to PL and GL coverage parts The deductible does reduce or erode the limit of liability. The Insured agrees to pay all damages up to the amount of such deductible.
Primary Premium	
Premium:	\$25,935 This premium does not include any applicable excess and surplus lines taxes and/or fees.
TRIA Surcharge:	\$133 This surcharge is in addition to the premium stated above.
Primary Policy Forms, Endorsements And Exclusions	
The form titles and headings are for convenience only. Please refer to the actual policy and endorsements for a description of coverage. All the latest versions of these forms will be attached to the policy.	
PF-17914 (02/05)	Advisory Notice To Policyholders – OFAC (attached)
SL-17905 (04/09)	Texas Excess And Surplus Lines State Specific Notice
WSG-084 (10/03)	Surplus Lines Broker Notice
ALL-18894b (04/12)	Texas Risk Control Services
PF-18892 (04/12)	Texas Risk Control Services
ALL-4Y30e (07/13)	Texas Notice - Information and Complaints
ALL-20887 (10/06)	Policyholder Notice – ACE Producer Compensation Practices & Policies
TR-19604	Policyholder Notice Disclosure Of Terrorism Insurance Coverage (attached)
PF-24797 (03/09)	Primary Policy - Notice of an Occurrence, Offense, Professional Incident, Claim or Suit
PF-17914 (02/05)	Advisory Notice To Policyholders – OFAC (attached)
PF-12825d (03/09)	Healthcare Facilities General and Professional Liability Policy Declarations
PF-12826d (06/08)	General Policy Provisions – General Liability and Professional Liability Coverage
PF-12828e (05/07)	Healthcare Facilities Professional Liability Coverage Part (Claims Made and Reported)
PF-12827b (05/05)	Healthcare Facilities General Liability Coverage Part (Occurrence)
PF-12844c (04/11)	Deductible Endorsement
PF-20581 (08/06)	Minimum Earned Premium Endorsement
PF-12856a (08/04)	Nuclear Energy Liability Exclusion Endorsement
XS-1U96e (02/06)	Service Of Suit Endorsement
ALL-21101 (11/06)	Trade Or Economic Sanctions Endorsement
LD-5S23i (12/11)	Signature Endorsement
PF-12841b (08/06)	Employee Endorsement (to include physicians and physician assistants)
PF-12848b (10/09)	Medical Payments (\$5,000 limit)
PL-21190b (11/10)	Split Retro date And Limits Endo
PL-24805 (04/08)	Bodily Injury Definition (Mental injury)
PF-26377a (04/11)	Cancellation Condition Revised (90 days' notice except for nonpayment of premium which is 10 days)
PF-38631 (07/12)	When We Do Not Renew, Amended (90 days' notice of nonrenewal)
PF-29809a (09/10)	Extended Reporting Period Options (see attached)
PF-21867a (04/07)	Good Samaritan Coverage
PF-38349b (08/12)	Disciplinary Proceeding Defense Coverage Endorsement (\$25,000 limit)
PF-28960a (09/11)	Designated Premises Limitation – GL Occurrence Primary (see attached)
PF-35525 (08/12)	Emergency Evacuation Expense Coverage Endorsement (\$25,000 limit)
PL-35526 (08/12)	Media Event Expense Coverage Endorsement (\$25,000 limit)
PF-35530a (08/12)	Patient Property Damage Coverage Endorsement (\$10,000 limit)
CCG FAC Prim 1	Your Duties In the Event of A "Professional Incident", "Professional Liability Claim" or "Suit", Amended
CCG FAC Prim 2	Representations Condition, Amended (Unintentional Errors and Omissions)
PF-28923a (07/10)	Additional Insured(s) Lessors/Owners of Premises Written Contract (General Liability Only)
PF-18190b (11/10)	Abuse and Molestation Aggregate Limit Of Insurance And Deductible Endorsement (\$500,000 limit subject to policy deductible and retro date)
PF-24803 (04/08)	HIPAA-Confidential information \$100,000 limit; retro date:10/1/2012

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Other Important Terms And Conditions Of This Proposal

Surplus Lines. This insurance is issued pursuant to the surplus lines laws of the Insured's "home state". Organizations insured by surplus lines carriers do not have the protection of the state's guaranty act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer. Any applicable taxes, surcharges or countersignature fees, etc., are in addition to the above quoted figures. The agent or broker is responsible for making state surplus lines filings and complying with all applicable laws.

Cancellation and Changes Applicable to Binders. Prior to the effective date of the policy, either party may cancel the binder by sending written notice stating when cancellation will be effective. Issuance by the Insurer of the policy shall render the Binder void. If a material change in the risk occurs or a submission is made to the Insurer of a claim or circumstances that might give rise to a claim between the date of the Binder indicated above and the Effective Date, the Insurer may cancel the binder or void the proposed insurance coverage ab initio ("from the beginning").

Basis of This Proposal. Please read this proposal carefully, as the limits, coverage and other terms and conditions may vary from those requested in your submission and/or from the expiring policy. Terms and conditions that are not specifically mentioned in this proposal are not included. The terms and conditions of this proposal supersede the submitted insurance specifications and all prior proposals and binders. Of course the actual coverage will be provided by and in accordance with the policy as issued. The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is reflected in the policy or in an agreement signed by someone authorized to bind the insurer. This proposal has been constructed in reliance on the data provided in the submission. A material change or misrepresentation of that data voids this proposal. If we have misunderstood the coverage parameters you have outlined, please let us know.

Policy Issuance Applicable to Bound Accounts. The insured has the option to receive their insurance policy either as a paper copy or electronically. Please state the insured's preferred method for receiving the documents (please only choose one):

- Via E-mail
- US Postal Service

If no election is made at the time of binding, we will deliver the insurance policy via e-mail.

Contingencies

This quotation is subject to receipt, review and acceptance of the following contingencies by ACE within the specified timeframes. It is the responsibility of the producer to provide this information to ACE for its review and acceptance. If these contingencies are not received within the specified timeframes, we may undertake any of the following action:

1. Cancellation of the policy,
2. Change the limits of liability, premium, or Applicable Underlying Limits,
3. Restrict coverage,
4. require additional collateral, and/or
5. Utilize an alternative producer who is properly licensed to transact this business.

I. Contingency Due At The Time Of Binding

1. Surplus Lines Home State - ACE requires the producer to provide the "home state" as defined in the Non-admitted and Reinsurance Reform Act (NRRRA) upon binding this placement
2. As the broker of record for this Insured, you are required to provide proof of licensure for this business and meet the ACE approval process.
3. Acceptance or rejection of terrorism insurance coverage. See attached form requiring election, signature and return.
4. Texas Loss Control Form signed with election chosen and returned

ACE Medical Risk quotation remains valid until: 10-1-2013

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**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury---in concurrence with the Secretary of State, and the Attorney General of the United States---to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage

	I hereby elect to purchase terrorism coverage for a prospective premium of <u>\$133</u> .
	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

Insurance Company

Print Name

Policy Number

Date

Attachments

1. Coverage to consider
2. Client authorization to bind coverage
3. Notice of surplus lines placement
4. Evaluating financial strength and capacity of insurance markets
5. Insurance company financial information
6. Transparency and disclosure
7. Important disclosures
8. When to notify Wells Fargo Insurance

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Coverage to consider

In evaluating your exposures to loss, we have been dependent upon information provided by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention.

Specifically, we ask that you review the following items:

Higher limits:

In today's litigious society, many businesses have found it necessary to increase the limits of liability to ensure they are adequate to protect their assets in the event of a loss. Higher limits of liability may be available. Please carefully review the limits to ensure your level of comfort with the limits.

Network Security & ID Theft (Cyber Liability):

Insurance is one way to finance the cost to recover from cyber losses. That said, traditional insurance policies cannot be relied on for protection from most electronic losses. Specialized property and liability insurance policies are available from a few insurance companies to cover losses associated with unauthorized access to or theft of data or e-business activities, computer viruses, denial-of-service attacks, as well as alleged unauthorized e-commerce transactions.

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Client authorization to bind coverage

TO: Wells Fargo Insurance
5151 Belt Line Rd., Ste. 200
Dallas, TX 75254

RE: Insurance Proposal

This proposal contains proprietary confidential information concerning Wells Fargo Insurance Services USA, Inc. ("Wells Fargo Insurance") and our Customers. It may not be distributed or reproduced without the express prior written consent of Wells Fargo Insurance. No disclosure concerning this proposal shall be made without the express prior written consent of Wells Fargo Insurance.

The intent of this proposal is to provide a highlight of the coverage offered in our insurance program, and is not meant to be all-inclusive. Read your actual policy(ies) for complete details including terms, conditions, limitations and exclusions.

Exposure information, including but not limited to property values, auto schedules, payroll and revenues, used in the proposal were those presented by you and should be carefully reviewed and/or appraised for adequacy.

I hereby acknowledge that, upon the renewal of the coverage described herein, unless I otherwise direct Wells Fargo Insurance or Wells Fargo Insurance otherwise notifies me, Wells Fargo Insurance intends to renew my coverage with the insurer that, at the time of such renewal, underwrites my coverage and thus Wells Fargo Insurance will not solicit any quotes or proposals from insurers on my behalf in connection with such renewal.

I have read and understand the terms and conditions of this proposal and the compensation Wells Fargo Insurance may receive in connection with Wells Fargo Insurance's services described in this proposal. All questions and concerns I had regarding any of the terms outlined above have been discussed and addressed with Wells Fargo Insurance.

Please check one:

- After careful review of your proposal dated (August 22, 2013), we have decided to accept your proposal as presented.
- After careful review of your proposal dated (August 22, 2013), we have decided to accept you proposal with the following changes:

Please have binders and your invoice prepared for the agreed-upon coverage.

Customer signature

Name

Date

Company

Title

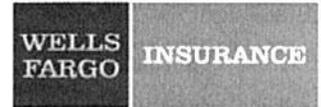
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Wells Fargo Insurance Services USA, Inc.
Street address
City, State Zip
Direct: 972-588-6407
Fax: 855-605-8264
Toll Free: 800-531-2034



Notice of surplus lines placement

August 22, 2013

Collin County Government

We have offered you insurance coverage with Illinois Union Insurance Company. We want you to know that this is a surplus lines insurer, and that it does meet the financial strength requirements that we usually require of insurers with whom we place our customer's risks.

We exercise caution in placing insurance with a surplus lines insurer, because in the event this insurer becomes insolvent, the provisions of the state insurance guaranty associations **will not** apply. The state insurance guaranty associations provide for the payment of certain covered claims (up to a certain dollar amount) when a carrier becomes insolvent, but this protection is **not** available for surplus lines insurers.

Illinois Union Insurance Company is rated A+ XV by A.M. Best, an independent insurer-rating organization that evaluates the financial strength of insurers. Insurers are not required to obtain a rating, and ratings are not a guarantee of an insurer's financial status. Some insurers who became insolvent have previously had high ratings; however, ratings are a tool that helps us make an objective evaluation of an insurer.

We want you to have this information so you can make an informed decision about whether to have your insurance placed with Illinois Union Insurance Company. If you should have any questions regarding this surplus lines placement, please contact me directly.

Thank you for your careful consideration of this matter.

Very truly yours,

Wells Fargo Insurance Services USA, Inc.

By: Robert S. Bookhammer



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Evaluating financial strength and capacity of insurance markets

Wells Fargo Insurance Services USA, Inc. is not a guarantor of the solvency of carriers with which its agents place business. However, Wells Fargo Insurance Services USA, Inc.'s objective is to place client risks with insurers and reinsurers that are financially sound. We only authorize carriers that we believe, at the time of placement, have the financial ability to fulfill their claim payment obligations to our clients. Our authorizations are based on in-depth financial analysis and other relevant information that is available at the time of placement.

Wells Fargo Insurance Services USA, Inc. has appointed a group of experienced insurance professionals to serve on a Market Security Committee. This Committee is responsible for establishing and utilizing guidelines for the selection of insurers and supporting employees in their efforts to utilize financially sound insurers. In assessing the financial strength of insurers, the Committee relies upon the opinions and assessments of recognized rating agencies and other carrier review companies.

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Insurance company financial information

Objective assessments help insurance buyers make informed decisions

As your insurance broker, one of our objectives is to provide you with information and assessments published by rating agencies on the financial stability of the insurers currently underwriting your coverage's, or of those insurers we recommend you consider.

The A.M. Best rating for the insurance companies represented in this proposal are as follows:

Name	Admitted	Rating agency assessment	Surplus
Atlantic Specialty Insurance Company	Yes	A XI	\$750M to \$1B
Illinois Union Insurance Company	No	A+ XV	Excess of \$2B

Financial strength ratings

A.M. Best rating	S&P rating	Rating agency assessment
A++, A+	AAA	Superior
A, A-	AAA, AA, AA-	Excellent
B++, B+	A+, A, A-	Good
B, B-	BBB+, BBB, BBB-	Fair, Vulnerable to adverse conditions
C++, C+	BB+, BB, BB-	Marginal, Financial security may be adequate
C, C-	B+, B, B-	Weak, vulnerable
D, E, F	CCC, CC, C	Poor, Extremely Vulnerable or Failed

Financial size ratings

A.M. Best also assigns categories to insurance companies to indicate levels of statutory surplus and related funds.

AM Best financial size category	Adjusted policyholder surplus (in millions)	AM Best financial size category	Adjusted policyholder surplus (in millions)
I	Less than \$1	IX	\$250 - \$500
II	\$1- \$2	X	\$500 - \$750
III	\$2 - 5	XI	\$750 - \$1,000
IV	\$5 - \$10	XII	\$1,000 - \$1,250
V	\$10 - \$25	XIII	\$1,250 - \$1,500
VI	\$25 - \$50	XIV	\$1,500 - \$2,000
VII	\$50 - \$100	XV	Above \$2,000
VIII	\$100 - \$250		

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Transparency and disclosure

Insurance is a highly regulated, competitive industry that fuels the U.S. economy and protects individuals and commercial entities from losses. There is nothing more important to our industry and to Wells Fargo Insurance Services than maintaining the trust of our customers and conducting business with the utmost integrity. We believe that our leadership role on disclosure should tie directly to our core values. Among these we state that we:

- Value and reward open, honest, two-way communication
- Do what is right for the customer
- Talk and act with the customer in mind
- Exceed our customers' expectations

Wells Fargo Insurance Services is proactively providing customers with complete transparency on standard and contingent commission income. We receive compensation from the insurance companies we represent when placing your insurance. Our compensation is usually a percentage of the premium you pay for your insurance policy or bond (a "commission"), which is paid to us by the insurance companies for placing and servicing your insurance or bonds with them. We also may receive fees agreed to in writing from our customers. Intermediaries, such as wholesale brokers, may sometimes be used to access certain insurance companies. Such intermediaries will allocate a portion of the compensation from the insurance companies to us and may, in some cases, be an affiliated company.

We receive payments from insurance companies to defray the cost of services provided for them, including advertising, training, certain employee compensation, and other expenses.

Consistent with longstanding industry practice, we may earn interest on premiums received from you and forwarded to the insurance companies through our bank accounts. We may also earn interest when the insurance company issues you a refund and that refund is processed through our bank accounts. We retain the interest earnings on our bank accounts.

Some of the insurance companies we represent may pay us additional commissions, sometimes referred to as contingent or bonus commissions, which may be based on the total volume of business we sell for them, and/or the growth rate of that business, retention rate, claims loss ratio, or other factors considering our entire book of business with an insurance company for a designated period of time.

The amount of premium you pay for a policy may change over the term of the policy. For example, your endorsement requests will affect the premium. Should the premium for any of your policies change, the amount of compensation paid to us by the insurance company would change accordingly.

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Important disclosures

Insurance products are offered through non-bank insurance agency affiliates of Wells Fargo & Company and are underwritten by unaffiliated insurance companies, with the exception of crop insurance which may be underwritten by an affiliated insurance company.

The coverage and limits presented in this proposal are a simplified outline of the respective insurance policies. The actual policies issued by the insurance company govern the coverage provided, and should be read for coverage terms, limits of liability, definitions and conditions pertaining to your specific insurance program.

This proposal is based on exposures to loss and other underwriting information provided by the customer and made known to Wells Fargo Insurance Services USA, Inc. You must report all additions or corrections to these exposures so we may arrange the proper coverage.

All property values used in this proposal were provided by the customer and should be carefully reviewed and/or appraised for accuracy. Higher limits and additional coverages may be available upon request.

Wells Fargo Insurance Services USA, Inc. has attempted to place your business insurance with markets that have displayed evidence of being properly managed and of strong financial condition. For more information about Wells Fargo Insurance insurance carrier selection and monitoring, please refer to the section on Evaluating Financial Strength and Capacity of Insurance Markets. In the pages that follow, there may be proposals from companies that are identified as Non-admitted or Surplus Lines insurers. This designation means the insurance company is not licensed to do business in your state of domicile. The facts you should consider before placing coverage with a Non-admitted insurance company are as follows:

- If the insurance company becomes insolvent, the state insolvency fund will **not** cover any claims.
- Non-admitted carriers do not have to file their rates with the state and therefore their rates are not regulated.

Flatiron Capital, a premium finance company, is an affiliate of Wells Fargo Insurance Services USA, Inc. The use of Flatiron Capital is not a requirement for the purchase of insurance.

The extension of credit or the provision of bank products or services through Wells Fargo Bank, N.A., or its affiliates is not conditioned on and does not require the purchase of insurance through Wells Fargo Insurance Services USA, Inc.

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When to notify Wells Fargo Insurance

It is important that you advise Wells Fargo Insurance of any material changes in your operations which may have a bearing on your insurance program. Your insurers have evaluated and accepted the risks on the basis of the information given. Any variation of these details could lead to complication in the event of a loss.

- These changes may include, but are not limited to:
- Changes of personnel affecting responsibility for insurance decisions.
- Personnel traveling overseas/on temporary assignment overseas/working on military bases.
- Acquisition or creation of new companies or subsidiaries and/or mergers in which you are involved or any legal change in the corporate structure.
- Purchase, sale, lease, construction, or occupancy of new premises; real estate alteration, vacating the premises or temporary un-occupancy; extension or demolition of existing premises. This applies for both domestic and foreign locations.
- Increase in values of building, business personal property, or inventory for both scheduled and unnamed locations.
- Removal of business personal property or stock to new or temporary locations.
- Addition of new locations, equipment or vehicles, whether hired, purchased, leased or borrowed.
- Changes in processes, occupancy, products, revenue, sales, or business operations.
- Addition, alteration or temporary disconnection of fire or burglary protection systems.
- Use of owned or non-owned aircraft or watercraft.
- Major changes in value or nature of goods being shipped.
- Employment of personnel in states in which you were previously not doing business.
- Election or appointment of a new C.E.O. or C.O.O., or change in control of either the Board of Directors or the stock ownership of the company.
- Changes in ERISA Plan Assets.
- Any written contracts executed with contractor, subcontractors, suppliers, or others.

This proposal is merely a descriptive summary of coverage provided by the insurance companies being proposed and should be used for reference purposes only. This is a quotation of coverage only. It is not a binder. This proposal does not amend or alter the insurance contract.

Please refer to the policy contract for specific terms, conditions, limitations, and exclusions.

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